

Federal Housing Finance Board

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PART 977—MISCELLANEOUS BANK AUTHORITIES

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AUTHORITY: 12 U.S.C. 1422a(a)(3), 1422b(a)(1), 1431(a), 1431(e), 1432(a).

SOURCE: 65 FR 8266, Feb. 18, 2000, unless otherwise noted.

§ 977.1 Definitions. [Reserved]

§ 977.2 Transfer of funds between Banks.

Inter-Bank borrowing shall be through unsecured deposits bearing interest at rates negotiated between Banks.

§ 977.3 Trustee powers.

A Bank may act, and make reasonable charges for doing so, as trustee of any trust affecting the business of any member or any institution or group applying for membership or for insurance of accounts, or any group applying for a charter for a Federal Savings Association, if:

(a) Such trust is created or arises for the benefit of the institution or its depositors, investors, or borrowers, or for the promotion of sound and economical home financing; and

(b) In the case of applicants, the Bank ceases to act as trustee if the application is withdrawn or rejected.

PART 978—BANK REQUESTS FOR INFORMATION

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AUTHORITY: 12 U.S.C. 1422b(a), 1442.

SOURCE: 65 FR 8266, Feb. 18, 2000, unless otherwise noted.

§ 978.1 Definitions.

As used in this part:

Confidential information means any record, data, or report, including but not limited to examination reports, or any part thereof, that is non-public, privileged or otherwise not intended for public disclosure which is in the possession or control of a financial regulatory agency and which contains information regarding members of a Bank or financial institutions with which a Bank has had or contemplates having transactions under the Act.

Financial regulatory agency means any of the following:

(1) The Department of the Treasury, including either the Office of the Comptroller of the Currency or the Office of Thrift Supervision;

(2) The Board of Governors of the Federal Reserve System;

(3) The National Credit Union Administration; or

(4) The Federal Deposit Insurance Corporation.

Third party means any person or entity except a director, officer, employee or agent of either:

(1) A Bank in possession of any particular confidential information; or

(2) The financial regulatory agency that supplied the particular confidential information to such Bank.

§ 978.2 Scope.

This part governs the procedure by which a Bank will request and receive confidential information pursuant to section 22 of the Act, 12 U.S.C. 1442.

§ 978.3 Request for confidential information.

A Bank shall make all requests for confidential information to a financial regulatory agency, or to a regional office of such agency if mutually agreeable, in accordance with the procedures contained in this part as well as any procedures of general applicability for requesting information promulgated by such financial regulatory agency. This part and its procedures may be supplemented by a confidentiality agreement between a Bank and a financial regulatory agency.

§ 978.4 Form of request.

A request by a Bank to a financial regulatory agency for confidential information shall be made in writing or

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by such other means as may be agreed upon between the Bank and the financial regulatory agency. The request shall reference section 22 of the Act, 12 U.S.C. 1442, as amended, and this regulation, and shall describe the confidential information requested and identify its intended use pursuant to the Act. The request shall be signed or otherwise made by any duly authorized Bank officer or employee.

§978.5 Storage of confidential information.

Each Bank shall:

(a) Store all identified confidential information in secure storage areas or filing cabinets or other secured facilities generally used by such Bank and limit access thereto in the same manner as it maintains the confidentiality of its own members' privileged or non-public information;

(b) Have in place a written set of procedures and policies designed to ensure the confidentiality of confidential information in its possession; and

(c) Establish an internal review of its procedures for storing confidential information and maintaining its confidentiality, as a part of its internal audit process.

§978.6 Access to confidential information.

Each Bank shall ensure that access to the confidential information stored at its facility is limited to those with a need to know such information and that employees with access maintain the confidentiality of the confidential information in accordance with the Bank's own procedures for maintaining the confidentiality of its members' privileged or non-public information.

§978.7 Third party requests for confidential information.

(a) *General.* In the event a Bank receives a request for confidential information in its possession from any third party, the Bank shall forward such request to the financial regulatory agency from which the confidential information was obtained.

(b) *Subpoena.* In the event a Bank receives a subpoena for confidential information issued by a Federal, state or local government department, agency,

court or bureau, the Bank shall give timely written notice of such subpoena to the financial regulatory agency from which the confidential information was obtained, unless such notice is prohibited by applicable law. Except as limited in this part, the Bank may disclose confidential information pursuant to the subpoena, after giving timely written notice, when:

(1) The financial regulatory agency gives written approval to the disclosure; or

(2) A binding order to produce the confidential information has become final with all rights of appeal either exhausted or lapsed.

(c) *Nondisclosure to third parties.* Except as provided in paragraph (b) of this section, a Bank shall not disclose confidential information to any third party. A Bank shall refer all third party requests for such confidential information to the financial regulatory agency that released the confidential information to the Bank.

(d) *Disclosure to Finance Board.* (1) Neither this part nor any confidentiality agreement executed between a Bank and a financial regulatory agency shall prevent a Bank from disclosing confidential information in its possession to the Finance Board whenever disclosure is necessary to accomplish the Finance Board's supervision of Bank membership applications or Bank director eligibility issues, or disclosing any confidential information in its possession if such disclosure is made pursuant to an audit conducted pursuant to §978.5 or section 20 of the Act, 12 U.S.C. 1440.

(2) The Finance Board shall keep all confidential information received under paragraph (d) of this section in strict confidence.

§978.8 Computer data.

Nothing in this part shall preclude a Bank from arranging with any financial regulatory agency to transmit or allow access to confidential information with the consent of such agency by means of an electronic computer system. Any such arrangement shall ensure the security of the computerized data stored in a Bank's computer and restrict access to such data in order to preserve confidentiality in a